

Fear and loathing in Namur: CETA will likely be rescued, but disaffection with globalisation can no longer be ignored

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The Belgian government has stated that it is unable to sign the proposed EU-Canada free trade agreement, CETA, due to opposition in the region of Wallonia. [Bob Hancké](#) outlines the complicated federal arrangements in the country which have derailed the agreement and suggests that while previous Belgian compromises indicate CETA can still be saved, popular dissatisfaction with globalisation across Europe is only likely to grow.



The comprehensive free trade agreement between the EU and Canada (CETA), is stuck in the mud of Belgian federalism. Since its far-reaching constitutional reforms began in the 1970s and accelerated in the 1990s, the country has (by last count) seven parliaments and a handful of regional governments. I'll spare you the details, but the good news is that, even though Belgium did not have a national federal government for almost two years half a decade ago, most public services that are relevant to ordinary people and which are decentralised (think of schools, hospitals and rubbish collection), kept on running without problems.

The bad news is that the distribution of competences across these parliaments are Byzantine on a good day and usually downright impenetrable for most of us who are not Belgian constitutional lawyers. One of these regional parliaments, the one in the Walloon city of Namur, has [voted against CETA](#), thus prohibiting the national government from ratifying the EU-wide trade agreement.

It is not entirely clear why a policy competence that fundamentally resides with the European Commission (and not the member states) is subject to a ratification vote at sub-national levels, but there you go: other countries rely on referendums to clear up international relations, and deep decentralisation is far from unique, if we think of the highly devolved policy responsibilities of Swiss cantons. What is perhaps a bit surprising is the scale of the problem: representatives of 3-4 million people can block a trade agreement for over 500 million. And, while the concerns raised by the Walloons are legitimate – such as democratic control over economic policy-making, social and environmental dumping – it is quite late in the day to raise them.

Wallonia has a bit of a special place in the Belgian political economy. Long the economic and political point of gravity

of the country (the first industrialised region on the continent in the nineteenth century), it fell into decline after the Second World War due to a mixture of traditional heavy industries and a lack of political strategy toward new sectors (declaration of interest: I am Flemish, though far from militant, and left the country over a quarter of a century ago). Until the last waves of constitutional reform, which led to the decentralised decision-making structure, Wallonia felt to many, especially those on the political left, as a desert region with a very high unemployment rate, kept alive by subsidies and transfers from the wealthier north but without a convincing future. The particular form of leftist nationalism in Wallonia has its roots in that protracted process of deindustrialisation.

The good news, I guess, about the Wallonian resistance (yes, comparisons with Asterix have been made) is that it did not emanate from rabid populists but from the mainstream political parties. And, given the history of the region, which witnessed European integration and globalisation from a distance – even now, only about 15-20 per cent of Belgian exports are produced in Wallonia – a certain measure of resentment against free trade is understandable.

The Brexitophile north of the UK has been in a similar position since the 1980s, and part of the support for anti-EU far-right populism in Germany seems to have its roots in a similar post-unification political-economic disenfranchisement. What complicates matters in Belgium is that the left-leaning Walloon region is at loggerheads with the centre-right national government – a relation not unlike Scotland and Westminster, but with slightly more complicated outcomes because of the veto position of the regional governments.

Complicated it may be, but the silver lining for CETA is that the EU is very, very good at asking voters in the member states to think again about what they are doing until they get it right and that Belgium is the land of political compromise – top politicians are sometimes also known as ‘plumbers’ on account of their ability to unclog problematic situations. Just wait a few months: the Walloons will discover the virtues of a slightly revised CETA, and the EU will look again as if it can actually negotiate important trade treaties. But underneath it all, the current of popular dissatisfaction with how globalisation is playing out will strengthen. That is why the vote in Namur needs to be taken seriously.

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Note: This article gives the views of the author, and not the position of EUROPP – European Politics and Policy, nor of the London School of Economics. Featured image: a protest against CETA and TTIP in Berlin, February 2015.

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